

Administrative Determination (AD)
Documentation of Land Use Plan Conformance and NEPA Adequacy (DNA)
U.S. Department of the Interior - Bureau of Land Management
Anchorage Field Office

A. BLM Office: Anchorage Field Office **Lease/Serial Case File No.:** A-028399

Proposed Action Title/Type: Drilling of a Natural Gas Storage Well KGSF#7

Location of Proposed Action: Swanson River Unit, Section 28, T. 8 N., R. 9 W., Seward Meridian.

Description of the Proposed Action:

Union Oil Company of California (UNOCAL) is proposing to drill a natural gas storage facility (KGSF #7) within the Kenai National Wildlife Refuge (KNWR) Swanson River Unit (SRU), Section 28, T. 8 N., R. 9 W., Seward Meridian (Case File # A-028399). Surface location of the well will be 3,281' from the north line (FNL), and 4,855' from the west line of Section 28. The proposed depth of the well is 6,580'. Access roads and drilling pads are already in place. The well will be drilled next to a preexisting well (KGSF #1) adjacent to the Pipe and Supply (P&S) Yard, Northeast of the 1-33 tank setting. Existing facilities at the 1-33 Tank setting will be used for Gas Injection and Gathering. New Gathering and Injection lines to the well will be required and contained on the existing pad.

Fresh water is available from the adjacent facilities and will be used for the drilling of the well as a water based mud will be utilized. No new construction materials will be needed. Piping materials and rigging equipment are already on-site and readily available. Solid waste in the form of drill cuttings will be hauled in cutting boxes to the SRF Central Waste Facility. Liquid drilling mud will be recirculated while drilling the well. At the end of the well, the liquid mud will be hauled to and disposed of in the Class II disposal well, located in the SRU. Garbage will be burned at the SRU P&S yard incinerator, or hauled to the Soldotna dump. Septic/sewage/gray water will be self contained on site and will be hauled away by contract disposal.

The only ancillary facilities onsite will consist of three small trailers for use by the UNOCAL drilling supervisor and the contract drilling rig tool pusher. Reclamation of the existing road and pad will not take place until both the KGSF #1 and #7 discontinue gas production. Both KGSF #1 and KGSF #7 will reside next to each other on the same pad, producing and injecting gas into the Tyonek 64-5 sand. The surface management agency (SMA), U.S. Fish and Wildlife Service (USF&WS), will address surface disturbance issues that may arise from post-production activities.

Applicant (if any): Union Oil Company of California (UNOCAL)

B. Conformance with the Land Use Plan (LUP) and Consistency with Related Subordinate Implementation Plans

The BLM has not developed a land use plan for surface or subsurface oil and gas development in the Kenai Peninsula area. However, this Proposed Action, which occurs within the boundaries of the Kenai National Wildlife Refuge, is subject to the Kenai National Wildlife Refuge Comprehensive Conservation Plan (KNWRCCP). The KNWRCCP was approved by the Secretary of the Interior in January 1985. The Proposed Action follows the aforementioned plan, allowing for the continued development and exploration of oil and gas within the identified area.

C. Identify applicable NEPA documents and other related documents that cover the Proposed Action.

Oasis Environmental created an Environmental Assessment (EA # AK-040-97-011) for UNOCAL and the Bureau of Land Management (BLM) in 1997. This EA and the associated FONSI adequately cover all environmental issues associated with the drilling of an additional well (KGSF#7) adjacent to Tank Setting 1-33. Environmental Assessment AK-040-97-011 assesses the impacts of the Proposed Action and provides a basis for a decision on this proposal [43 CFR 1610.8 (b)(1)]. UNOCAL has also outlined a Surface Use Plan within their Application for Permit to Drill, submitted on 5/11/04.

D. NEPA Adequacy Criteria

1. Is the current Proposed Action substantially the same action (or is a part of that action) as previously analyzed? Is the current Proposed Action located at a site specifically analyzed in an existing document?

The Proposed Action for KGSF#7 differs from the Proposed Action outlined in EA AK-040-97-011 in that there will be no pad expansion and the well will terminate at the same depth as its cousin well, KGSF#1. Substantially, the current Proposed Action is the same action as that which was previously analyzed. The current proposed activity lies within the same site that was specifically analyzed and previously approved through an existing document, EA AK-040-97-011.

2. Is the range of alternatives analyzed in the existing NEPA document(s) appropriate with respect to the current Proposed Action, given current environmental concerns, interests, and resource values?

The alternatives analyzed in EA AK-040-97-011 have not changed and are still relevant to the current Proposed Action.

3. Is the existing analysis valid in light of any new information or circumstances?

The following Critical Elements have been analyzed and will not be affected:

Air Quality

Areas of Critical Environmental Concern

Environmental Justice

Farmlands (Prime or Unique)
Flood Plains
Invasive, Non-Native Species
Native American Religious Concerns
Wastes (Hazardous and Solid)
Water Quality (Drinking or Ground)
Wetlands/Riparian Zones
Wild and Scenic Rivers
Wilderness

Compliance and Determination reports for Cultural Resources, T&E Species and Subsistence are included with this AD/DNA.

4. Do the methodology and analytical approach used in the existing NEPA document(s) continue to be appropriate for the current Proposed Action?

The methodology and analytical approach utilized in EA AK-040-97-011 is consistent with that which is outlined in the Proposed Action. After consultation with BLM, UNOCAL re-submitted their Surface Use Plan, which included more detailed descriptions of how they were going to address such issues as waste disposal, the use of construction materials, the addition of new infrastructure, and reclamation plans. They are all consistent with statements outlined in the Environmental Consequences section of EA AK-040-97-011.

5. Are the direct and indirect impacts of the current Proposed Action substantially unchanged from those identified in the existing NEPA document(s)? Does the existing NEPA document analyze site-specific impacts related to the current Proposed Action?

All impacts (direct and indirect) remain unchanged. The current Proposed Action falls under existing site-specific impact analyses outlined in EA AK-040-97-011.

6. Are the cumulative impacts that would result from implementation of the current Proposed Action substantially unchanged from those analyzed in the existing NEPA document(s)?

The long-term cumulative impacts of this proposed action are a possible extension of the life of the Swanson River Field due to in-field gas storage. Otherwise, the cumulative impacts outlined in EA AK-040-97-011 remain unchanged, and are applicable to the current Proposed Action.

7. Are the public involvement and interagency review associated with existing NEPA document(s) adequate for the current Proposed Action?

EA AK-040-97-011 involved a consultation with ARCO Alaska, U.S. Fish and Wildlife Service (USFWS), Alaska Department of Environmental Conservation (ADEC), the Office of Coastal Zone Management and the Oil and Gas

Conservation Commission. The resulting documentation from those consultations remains effective for the current Proposed Action. No further consultations will be necessary.

E. Interdisciplinary Analysis:

Interdisciplinary Analyses was conducted by AFO Lands and AFO Resources staff (see associated NEPA routing sheet). Since the Swanson River Unit is located on the Kenai National Wildlife Refuge, USF&WS is required to comment on the proposed activity.

F. Mitigation Measures:

No mitigation measures are required for this Proposed Action.

G. Conclusion

Based on the review documented above, I conclude that this proposal conforms to the applicable land use plan and that the NEPA documentation fully covers the Proposed Action and constitutes BLM's compliance with the requirements of NEPA.

/s/ Clinton E. Hanson, Acting
Anchorage Field Manager

June 23, 2004
Date